

**MINUTES OF THE REGULAR MEETING
OF THE LA SALLE CITY COUNCIL
HELD IN THE COUNCIL CHAMBERS,
745 SECOND STREET, LA SALLE, IL.
7:00 P.M., Tuesday, December 17, 2013**

CALL TO ORDER

The meeting was called to order by Mayor Jeff Grove at 7:06 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present- Mayor Grove, Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider

Absent-none

APPROVAL OF MINUTES

Moved by Alderman Demes and seconded by Alderman Reynolds that the minutes of the regular City Council meeting held on Tuesday, December 3, 2013 are approved and placed on file; each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

PETITIONS

There were no petitions.

REPORTS OF CITY OFFICERS

Moved by Alderman Bacidore and seconded by Alderman Demes to accept and place on file the Building Inspector's Report for November 2013 totaling \$986.00. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Moved by Alderman Ptak and seconded by Alderman Lavieri to accept the Treasurer's Report for November 2013 showing cash balances in the LaSalle State Bank of \$2,650,398.06 and in the Hometown National Bank of \$2,109,245.59. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Moved by Alderman Herndon and seconded by Alderman Lavieri to accept and place on file the Police Income Report for November 2013 showing total collected of \$14,925.74. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

COMMUNICATIONS

Moved by Alderman Ptak and seconded by Alderman Reynolds to approve and place on file the Illinois Department of Transportation report showing motor fuel tax allotment for November 2013 of \$18,107.86. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Moved by Alderman Ptak and seconded by Alderman Lavieri to approve and place on file the Illinois Department of Revenue Reports showing sales tax collected for September 2013 of \$81,388.01 and referendum approved sales tax of \$34,195.62 for a total of \$115,583.63. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

BIDS

In regards to the process of seeking property, liability and worker's compensation insurance, Mayor Grove indicated that because this is not a public works project, formal bids are not required. The current term will expire on December 31, 2013. At this evenings meeting, the council had several options to consider.

Finance Director John Duncan presented the various options available for the council to consider. Finance Committee Chairman Tom Ptak and Alderman Mark Schnieder had met previously and reviewed in detail the plans under consideration. Quotes came in from Arthur J. Gallagher & Co., Illinois Municipal League and local agencies including Brennan and Stuart, Hartauer Insurance and River Valley Insurance. Hartauer Insurance and River Valley Insurance were unable to offer proposals because they were either not able to find competitive markets or the current loss history disqualified the City from being considered by the companies they represent. Brennan and Stuart submitted a proposal for the worker's compensation portion only. Arthur J. Gallagher & Co. and Illinois Municipal League submitted proposals with the most viable options. All proposals were due by December 11, 2013 allowing time for review by the Finance Committee.

Jessica Govic of Arthur J. Gallagher & Co. was present to answer questions regarding her proposals.

Moved by Alderman Herndon and seconded by Alderman Schneider to allow Jessica Govic of Arthur J. Gallagher & Co. to address the council.

Voice vote, all ayes. Motion carried.

Discussion among council members and Ms. Govic followed as Finance Director John Duncan outlined the process that had been taken over the last months and presented the following options to the council.

Option #1- To renew with the current carrier, Arthur J. Gallagher & Co. with a premium of \$478,882.

Option #2- To become part of a Cooperative Program administered by Arthur J. Gallagher & Co. for property and liability lines, with the City of La Salle purchasing independent worker's compensation coverage from the Illinois Public Risk Fund. This option would require a three year commitment to the cooperative. The minimum premium for this plan would initially cost the city \$478,600 with a maximum premium of \$501,100.

Option #3- Illinois Municipal League quoted a set rate of \$434,904.

Option #4- Illinois Municipal League offered a MIN/MAX plan at \$382,255. In this plan, if claims exceed \$260,225 the City would pay dollar for dollar up to \$520,021. Finance Director Duncan pointed out to the council that when looking at a five year history, the City has stayed under the \$260,225 level for four of the past five years.

The council held a lengthy discussion in regards to the various options. Option #1 was eliminated because the coverages were better and the premiums lower in the remaining options.

The debate over Options #2 and #3, centered on a few points. Option #2 contained a \$1,000 deductible for flood and earthquake coverage, where Option #3 had a \$25,000 deductible. Upon review of the quote information that Illinois Municipal League had provided to the City of La Salle, Jessica Govic of Arthur J. Gallagher & Co. submitted a revised proposal with a \$25,000 deductible for flood and earthquake, which in turn lowered the total premium now making Arthur J. Gallagher & Co. the lowest bidder. Ms. Govic addressed the council to explain her company's decision to adjust their initial proposal after having reviewed the bid of IML. The Mayor strongly defended his position that the initial bid submitted by Arthur J. Gallagher & Co. is the only one that should be considered and indicated for the record that ethically he has a problem honoring the new bid that was a result of viewing the IML proposal. He indicated that it would not be fair to IML to consider this bid. Attorney Jim McPhedran agreed with Mayor Grove and indicated that if the council were to consider this new bid, the IML should be given the opportunity to counter offer and be present if necessary.

Alderman Schneider indicated to the council that he was asked to be part of this process because of his experience working with a school cooperative program he started from the ground up in 2006. He stated to the council that he has a good understanding of the structure of the cooperative program, including the loss fund. The program is set up so each municipality in the co-op has the same deductible which is why the original proposal submitted by Arthur J. Gallagher & Co. had a \$1,000 flood and earthquake deductible. The deductible then had to be changed by Arthur J. Gallagher & Co. in order to match the IML bid, therefore comparing apples to apples. For the record, Alderman Schneider stated what he was most unhappy about, regardless of how the vote goes, was that his integrity and ethics was called on the floor in front of the council by the same person who asked him to be part of this process and is turning this against him and saying that he is biased and has assets to protect with his school program and his relationship with Jessica Govic and Arthur J. Gallagher & Co. Alderman Schneider wanted it to be known publicly that that program has zero to do with Jessica or the municipality and has given him strong reason to reconsider whether he wants to continue on this council.

Another point that was debated regarding differences in Options #2 and #3 was coverage for emergency vehicles. Alderman Demes stated that he could not support the IML offer because it did not offer replacement cost on all emergency vehicles, only fire department vehicles. Alderman Demes expressed concern with voting for a plan

that does not offer replacement cost on ambulances. Finance Director John Duncan briefly left the meeting to attempt to contact someone with the IML to clarify coverages on emergency vehicles, but was not able to reach an IML representative. Ms. Govic indicated that her proposal covered all emergency vehicles including replacement cost on ambulances.

After debate and discussion the following action occurred.

Moved by Alderman Ptak to accept the MIN-MAX bid from Illinois Municipal League. There was no second. **Motion failed.**

Moved by Alderman Schneider to accept the original Cooperative Program bid from Arthur J. Gallagher & Co. for property and liability lines, with Worker's Compensation from the Illinois Public Risk Fund. There was no second. **Motion failed.**

Moved by Alderman Schneider and seconded by Alderman Demes to accept the revised bid from AJ Gallagher reflecting the \$25,000 flood deductible with Worker's Compensation coverage from the Illinois Public Risk Fund. Each and every alderman has a copy.

ROLL CALL: AYES: Alderman Demes, Lavieri, Schneider NAYS: Alderman Bacidore, Ptak, Reynolds, Duncan, Herndon, Mayor Grove. **Motion failed 3-5.**

Moved by Alderman Ptak and seconded by Alderman Herndon to accept the flat rate bid from the Illinois Municipal League of \$430,904. Each and every alderman has a copy.

ROLL CALL: AYES: Alderman Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Mayor Grove. NAYS: Alderman Demes, Schneider. ABSENT: None

Motion carried 6-2

STANDING COMMITTEES

Moved by Alderman Lavieri and seconded by Alderman Bacidore to accept the recommendation of the Zoning Board of Appeals and grant the zoning variance requests of Dan and Linda Kozel and related matters. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None

Motion carried 8-0

Moved by Alderman Bacidore and seconded by Alderman Herndon to accept the recommendation of the Streets, Alleys and Traffic Committee and place a "No Parking Here to Corner" on the east side of 11th and Gooding Streets and a "No Parking Back to Corner" on the west side of 11th and Gooding Streets

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None

Motion carried 8-0

APPOINTMENTS

No appointments were made.

OLD BUSINESS

The Mayor thanked Director of Public Works Jeff Bumgarner for all his hard work and that of his department to make the Celebration of Lights at Rotary Park a success.

Mayor Grove reminded residents that after 3" of snow or more, cars must be moved off of City streets in order for snow plows to get through. Mayor Grove thanked the Public Works Department for the great job they did after the recent snow.

NEW BUSINESS

Building Inspector Chris Covert explained some initial steps being taken to update our ordinance in regards to vacant buildings. He provided the Aldermen with a copy of Springfield, Illinois' ordinance which has had success in its reduction of vacant properties. As part of the updating of the ordinance, fees will be analyzed and methods of recourse for violators will be considered. Alderman Ptak expressed the importance of clearly defining what constitutes a vacant building. Discussion among the council members followed.

A Todd Street resident addressed the council regarding concerns about tenants leaving items (mattresses, etc) upon moving out of a rental property. He encouraged the City to make landlords responsible for having discarded items removed. Building Inspector Covert explained that procedures are in place to notify the landlord giving them a three day notice to remove the items. If this is not done, a waste hauler is notified and the bill is then sent to the landlord.

The same resident also indicated that after new power poles were set, branches were left. The Mayor asked the resident to call the City offices so Ameren could be notified and the branches removed.

Moved by Alderman Demes and seconded by Alderman Reynolds that Building Inspector Chris Covert has the authority to begin working on a revised vacant building ordinance.

Voice vote, all ayes, Motion carried.

ORDINANCES/RESOLUTIONS

Moved by Alderman Lavieri and seconded by Alderman Duncan to accept **Ordinance 2470**: An Ordinance approving variances/and or exceptions to the Zoning Ordinance concerning the petition of Dan and Linda Kozel for premises at 1043 Gooding Street and related matters.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None
Motion carried 8-0

Ordinance No. 2470: Ordinance approving variances/and or exceptions to the Zoning Ordinance concerning the petition of Dan

and Linda Kozel for premises at 1043 Gooding Street and related matters.

Moved by Alderman Herndon and seconded by Alderman Duncan to accept **Ordinance 2471**: Action including potential motion and/or ordinance approving waiver and/or variance from fence ordinance within the City of LaSalle, and related matters. (Kozel) Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None
Motion carried 8-0

Ordinance No. 2471: Action including potential motion and/or ordinance approving waiver and/or variance from fence ordinance within the City of LaSalle, and related matters. (Kozel)

Moved by Alderman Lavieri and seconded by Alderman Reynolds to accept **Ordinance 2472**: Ordinance approving agreement regarding water rates with Carus Chemical and related matters. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None
Motion carried 8-0

Ordinance No. 2472: Ordinance approving agreement regarding water rates with Carus Chemical and related matters.

Moved by Alderman Ptak and seconded by Alderman Reynolds to accept **Ordinance 2469**: An ordinance levying for Corporate Purposes for the City of La Salle, La Salle County, Illinois for the fiscal year beginning May 1, 2013 and ending April 30, 2014. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None
Motion carried 8-0

Ordinance No. 2469: An ordinance levying for Corporate Purposes for the City of La Salle, La Salle County, Illinois for the fiscal year beginning May 1, 2013 and ending April 30, 2014.

Moved by Alderman Lavieri and seconded by Alderman Herndon to accept **Resolution No. 201314**: a resolution abating principal and interest on \$1,875,000 General Obligation Bonds, Series 2010B, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None

Motion carried 8-0

Resolution No. 201314: a Resolution abating principal and interest on \$1,875,000 General Obligation Bonds, Series 2010B, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013.

Moved by Alderman Duncan and seconded by Alderman Lavieri to accept **Resolution No. 201315**: a resolution abating principal and interest on \$2,600,000 General Obligation Bonds (Alternate Revenue Source) Series 2006, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None

Motion carried 8-0

Resolution No. 201315: a Resolution abating principal and interest on \$2,600,000 General Obligation Bonds (Alternate Revenue Source) Series 2006, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013.

Moved by Alderman Herndon and seconded by Alderman Duncan to accept **Resolution No. 201316**: a resolution abating principal and interest on \$1,000,000.00 General Obligation Bonds, Series 2012 A, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None.

Motion carried 8-0

Resolution No. 201316: a Resolution abating principal and interest on \$1,000,000.00 General Obligation Bonds, Series 2012 A, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013.

Moved by Alderman Duncan and seconded by Alderman Lavieri to accept **Resolution No. 201317**: a resolution abating principal and interest on \$695,000.00 General Obligation Bonds, Series 2010, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None.

Motion carried 8-0

Resolution No. 201317: a Resolution abating principal and interest on \$695,000.00 General Obligation Bonds, Series 2010, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013.

Moved by Alderman Lavieri and seconded by Alderman Herndon to accept **Resolution No. 201318**: a resolution abating principal and interest on \$800,000.00 General Obligation Bonds, Series 2012B, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None.

Motion carried 8-0

Resolution No. 201318: a Resolution abating principal and interest on \$800,000.00 General Obligation Bonds, Series 2012B, of the City of La Salle, La Salle County, Illinois for the tax levy year of 2013.

Alderman and Finance Committee Chairman Tom Ptak spoke briefly on legislation passed in 2010 requiring pension funds to be 90% funded by the year 2040 and asked the council to recognize the position that puts the City in. He indicated that raising the tax levy in the future may be necessary, as well as spending cuts. Alderman Ptak asked that the council continue to control spending and sacrifice if need be to ensure a solvent future. New business revenue and development will also help close the gap. Discussion followed.

COMMENTS

Mayor Grove informed the public the council would be entering Executive Session and no further action would be taken this evening.

There were no public comments.

Alderman Herndon mentioned an article in the News Tribune that brought awareness to the number of homeless children in La Salle County.

9:10 pm.

Moved by Alderman Duncan and seconded by Alderman Lavieri to enter into Executive Session regarding pending and/or potential imminent litigation and related matters: Collective bargaining with FOP and related matters, and acquisition and/or sale of City Real Estate and related matters and the employment, appointment, performance and/or compensation of non-union personnel and related matters pursuant to the Open Meetings Act including 5-ILCS 120 Section 2(c) 1-3,5,6 and 11 thereof.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None

Motion carried 8-0

9:36 p.m.

Moved by Alderman Herndon and seconded by Alderman Duncan to adjourn Executive Session and return to regular session.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None

Motion carried 8-0

APPROVAL OF BILLS

Moved by Alderman Ptak and seconded by Alderman Lavieri that bills submitted totaling \$408,018.49 (Total Payroll \$189,188.49, Bills to be Paid \$126,291.88, Total Bills Paid \$92,538.12) be accepted, paid and placed on file. Each and every alderman has a copy.

ROLL CALL: AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider NAY: None. Absent: None

Motion carried 8-0

ADJOURNMENT

Moved by Alderman Reynolds and seconded by Alderman Demes to adjourn the meeting.

Voice vote, all ayes. Motion is carried.

ADJOURNED 9:38 p.m.

Carrie Brown, City Clerk